

**Fiscal Services Division**  
**Legislative Services Agency**  
**Fiscal Note**

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SF 16 - Home and Community Based Services (LSB 1133 XS)  
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Fiscal Note Version - New  
Requested by Senator Nancy Boettger

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**Description**

Senate File 16 requires reimbursement rates for service providers under the Medical Assistance (Medicaid) Elderly Home and Community Based Services Waiver to be adjusted annually for inflation. The Bill specifies that the inflation factor is the Skilled Nursing Facility (SNF) Market Basket Index.

**Assumptions**

1. The estimated SNF Market Basket Index inflation adjustment is 3.1% in FY 2006 and 2.9% in FY 2007, based on Global Insight's Health Care Cost Review.
2. Estimated State expenditures for the Elderly Waiver Program for FY 2006 are \$13.7 million, prior to the 3.1% inflation adjustment.
3. Estimated State expenditures for the Elderly Waiver Program for FY 2007 are \$15.4 million, prior to the 2.9% inflation adjustment. This assumes enrollment growth in the Elderly Waiver of 9.0%, based on recent trends.
4. Federal matching rate of 36.41% for FY 2006 and FY 2007.

**Fiscal Impact**

The estimated fiscal impact is a State General Fund increase of \$425,000 in FY 2006 and \$447,000 in 2007.

**Source**

Department of Human Services

/s/ Holly M. Lyons

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February 7, 2005

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The fiscal note and correctional impact statement for this bill was prepared pursuant to Joint Rule 17 and pursuant to Section 2.56, Code of Iowa. Data used in developing this fiscal note and correctional impact statement are available from the Fiscal Services Division, Legislative Services Agency to members of the Legislature upon request.

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